

The Appraisal Services Group of the Wyoming Department of Revenue is currently valuing the following Wind Farm projects:

Company Name	County	Towers	MW Capacity
FLP Energy	Uinta	80	144
Foot Creek II, LLC	Carbon	3	1.8
Foot Creek III, LLC	Carbon	33	24.75
Foot Creek IV, LLC	Carbon	28	16.8
Rock River I, LLC	Carbon	50	50
Mountain Wind Power 1, LLC	Uinta	29	60.9
Mountain Wind Power 2, LLC	Uinta	38	79.8
Silver Sage Wind Farm	Laramie	14	29.4
Platte River Power	Carbon	11	8.39
Pacific Corp Foot Creek	Carbon	69	41.4

\*\*\* There are dozens of Wind Farm projects currently proposed or in various stages of development in Wyoming. If the project is in excess of 30 MW capacity it is subject to the jurisdiction of the Industrial Siting Commission. Small projects only require approval from County Commissioners or County Planning departments.



Photo by: NextEnergyNews July 31, 2008 Location: Cheyenne, Wyoming



### Department of Revenue

For additional information:  
Property Tax Division  
Appraisal Services Group

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## Wyoming Department of Revenue

### Property Tax Division— Appraisal Services Group

## The Valuation of



## Wind Farms



All Wind Farms generation is valued by the Department of Revenue in accordance with W.S. 39-13-102 (m) (iii). "Property of Electric Utilities". They are not valued by the local county assessor's office.

Each company must submit to the Department, an Annual Report on or before April 1<sup>st</sup> of each year unless they receive an extension for reporting as noted in W. S. 39-13-107 (a) (ii) (B) "April 1,

The valuation process is based upon "Fair Market Value" as defined in W. S. 39-13-103 (b) (ii):

- "All taxable property shall be annually valued at its fair market value. Except as otherwise provided by law for specific property, the department shall prescribe by rule and regulation the appraisal methods and systems for determining fair market value using generally accepted appraisal principles."

The Wyoming Supreme Court has ruled that non-profit rural electric cooperatives are to be valued no differently than investor-owned utilities and merchant plants, whether rate of return regulated or non-regulated. "There is no rational basis in the record for treating non-profit and for-profit entities differently." *Basin Electric Power vs. Department of Revenue*, 970 P.2<sup>nd</sup> 841, (Wyo. 1998).

The companies generally DO NOT cross state lines and are located 100% in Wyoming. Nor do they cross county lines. They are site specific and tax district specific.

The statutory level of assessment is 11.50% of Wyoming fair market values as defined in W.S. 39-39-11-101(a) (xvii) (B).

All taxes (assessed value times the tax district mill levy) generated from the certified assessed values go directly to the county in which the property is located. In 2008 the average state-wide mill levy was 63.328.

All Wyoming assessed values are certified to the County Assessors by June 1<sup>st</sup> or as soon thereafter for assessment rolls as required by W. S. 39-13-102 (o) (i).

The appraisal process for determining fair market value for Department valued and assessed companies or properties is detailed in Department of Revenue, Rules and Regulations, Chapter 7, "Property Tax Valuation Methodology and Assessment".



Photo by: Ed Andrieski, Courtesy of the Rocky Mountain News June 9, 2008 Location: Wyoming Colorado Border



Cover Photo by: Greg Goebel Location: Wind Farm near Cheyenne, Wyoming November 28, 2005

### **The appraisal approaches to value are:**

#### Historical Cost Less Depreciation

The properties original investment including overhead, installation cost, and any miscellaneous costs adjusted for all forms of depreciation.

#### Capitalized Earnings Approach

Analyzes the property's capacity to generate an economic revenue or cash flow stream adjusted for operating expenses, depreciation, and taxes.

#### Market Approach

Analyzes the property being appraised to similar properties that have been sold recently applying appropriate units of comparison for adjustments.

#### Exemptions

Wyoming Law considers exemptions as noted in W. S. 39-11-105 (b) (i-vi) for: (1) "Intangibles" if properly established and separately identified on a company's books and records affirmed by generally accepted accounting or appraisal principles. (2) They do not generally qualify for pollution control or fire suppression exemptions. These are clarified in Department of Revenue, Rules and Regulations, Chapter 14 "Property Tax Exemption Standards" and W. S. 35-11-1103 "Property Exempt from Property Taxation", Wyoming Environmental Quality Act.